

## **School Insurance Pool ADVISORY COMMITTEE MEETING**

October 13, 2022 - Virtual

### **MINUTES**

**Present:**

Keith Kottke, Chair  
Adam Spray, Vice-Chair  
Jackie Ferrier, HR Specialist – Redwood Area  
Peggy Pfeffer, Business Manager - Windom  
Melissa Radeke, Superintendent – Lester Prairie

**Absent:**

Todd Holthaus, Superintendent – Hills/Beaver Creek  
Liz Windingstad, Director of Human Resources - Willmar

**Staff:**

Doug Deragisch, Consultant  
Carli Bothun, Insurance Specialist  
Randy Erdman, Director of Finance  
Bobbie Carmody, Administrative Assistant

**Guests:**

Marlow Peterson, MN Healthcare Consortium

**Item 1:**

**Call to Order**

Doug Deragisch called the School Pool Advisory Committee meeting to order at 10:04 am over Microsoft Teams. Introductions were made.

**Item 2:**

**Appointment of Chair & Vice Chair**

Adam Spray nominated Keith Kottke for Chair. Motion by Adam Spray, seconded by Melissa Radeke, that nominations cease, and the secretary cast a unanimous ballot for Keith Kottke as Chair. Motion passed unanimously. Chair Kottke asked for nominations for Vice Chair. Adam Spray volunteered to serve as Vice Chair. Motion by Keith Kottke that nominations cease, and the secretary cast a unanimous ballot for Adam Spray as Vice Chair. Motion passed unanimously.

**Item 3:**

**Agenda Approval**

The agenda was reviewed. Due to time constraints, it was suggested to move Item 8 – MN Healthcare Consortium Updates up to Item 4 prior to the approval of minutes. The agenda was approved as revised.

**Item 4:**

**MN Healthcare Consortium Updates**

**4.1 WEX**

Marlow Peterson, MN Healthcare Consortium, provide an update on the Further to WEX transition. Due to the sale of Further and the new buyer not capable of administering VEBA's, the MN Service Cooperatives had to go out for an RFP for medical spending accounts. The transition was done on a tight timeline with WEX having issues getting information from Further. Overall, 90% of issues experienced have been corrected with 10% still being researched. One main issue is with the debit card and BPAS – the trustee for VEBA accounts. Issues

are expected to be resolved in approximately one month. The service model with WEX continues to be identified and is close to being in place. Groups have various resources including Marlow, Carli Bothun, individual group account managers. Groups can reach out to them at any given time.

**Item 5: Approval of Minutes – February 21, 2022**

Motion by Adam Spray, seconded by Melissa Radeke, to approve the minutes from the February 21, 2022, meeting. Motion passed unanimously.

**Item 6: Financial Report**

**6.1 Pool Reserves Update**

Insurance Pool reserve targets were reviewed with the Target Reserve (RSR) at \$2,517,020 or 39% as of August 26, 2022. An explanation of reserve accounts was provided for new committee members. Current pool reserves totaled \$14,398,274, which is 57% of target; and the IBNR (claims runout) reserve account balance totaled \$3,286,719. It was noted, the trending decline in reserves is partially due to buying down rates.

**Item 7: School Pool Report**

**7.1 2022-23 Renewal Summary**

A summary of the 2022-23 School Pool Renewal for large groups was provided and included 2022-23 School Pool Needed vs. Sold Increases; Pre-Renewal Contracts of 2162 and Post-Renewal Contracts at 2105 for a retention rate of 97.4% and the loss of one group; Final Pool Subsidy of \$2,626,652 (does not include renewal changes); and challenges of the renewal which consisted of high needed increases, the move to Medica, carrier competition and multi-year rate caps. The Statewide Small Group renewal was also reviewed with pre-renewal contracts at 362 and post-renewal at 331 for a retention rate of 91.4%; pre-renewal schools at 16 and post-renewal schools at 15. Changes as of 1/1/23 were shared with two groups terming for a total of 15 contracts.

Information was also provided on the new Mayo Complex Care program available to members enrolled in the Medica Choice Passport Plan. The program consists of customizable centers of excellence focused on right diagnosis and treatment plans for high-cost, high-risk employees, and dependents with complex or serious conditions. It includes expedited scheduling, condensed appointments, employer-provided travel and lodging benefit, and waiver of prior authorization.

**7.2 2021-22 BCBS Claim Report**

A Plan Performance Overview Dashboard was shared showing claims from July 1, 2021, thru June 30, 2022, with BCBS of MN. The total plan paid per month per member was 17.73% higher in 2021 vs. 2020. 2023-34 projections will be based on BCBS data as well. Top diagnosis groupers were identified with one diagnosis being Musculoskeletal Disorders. Information was shared on the new offering by Omada which includes services in this area.

**7.3 Claims Reporting Discussion**

This item was covered under Item 6.2. Medica's reporting function allows Doug and Carli access to reports on a monthly/quarterly basis. Please contact Doug or Carli if you would like a report ran for your group.

**7.4 Mandatory Bid Year**

The 23-24 renewal will be a mandatory bid year. Information and timelines will be sent out to groups once finalized.

**Item 8:**        **SWWC Report**

**8.1**        **Medica Transition**

The transition to Medica overall went very well with only some delays experience in deductibles being transferred over from BCBS.

**8.2**        **Fall Wellness Conference**

The School Pool Fall Wellness Conference was held on October 5 with 17 out of 23 groups represented. A variety of speakers presented, and schools shared activities coordinated with suggestions for future activities being developed around claims utilization to benefit groups long term.

**8.3**        **22-23 Live Well**

Carli reported there are no changes to the 22-23 Live Well Program guidelines. In 21-22, 24 schools participated with total payout of \$140,485.44 for Live Well and \$735,500 for incentives. To date, 11 groups returned their agreement for 22-23.

**Item 9:**        **Adjournment**

New members were encouraged to reach out to staff and/or other committee members with questions. The next meeting of the Advisory Committee will be scheduled in December or January.

Motion by Melissa Radeke, seconded by Peggy Pfeffer, to adjourn the meeting. The meeting adjourned at 11:35 am.